

terminating facility points.<sup>401</sup> AT&T agrees that joint coordination is important in establishing a meet-point arrangement, but argues that its proposed contract language adequately resolves concerns regarding such coordination.<sup>402</sup> Specifically, AT&T states that its proposed language identifies a process for the parties to reach agreement on implementation issues such as routing, facility size and equipment to be used, and invokes the agreement's dispute resolution provisions where they cannot reach agreement.<sup>403</sup>

124. AT&T states that Verizon's language by contrast would give Verizon the right to determine not simply how a meet-point interconnection should be established, but whether it would be established at all.<sup>404</sup> AT&T disputes Verizon's contention that mutual agreement is required to protect Verizon from extremely expensive build-outs of its facilities, noting that, under its proposal, each party would bear half the construction costs of the meet-point facilities, giving AT&T an incentive to choose a facility span that is not prohibitively expensive.<sup>405</sup> Accordingly, AT&T argues that Verizon should not be allowed to precondition the implementation of fiber meet-point interconnection on the mutual agreement of the parties or on the availability of facilities in its network.<sup>406</sup> AT&T adds that the Massachusetts Department of Telecommunications and Energy (Massachusetts Department) rejected a similar Verizon proposal in an interconnection arbitration between Verizon and MediaOne, adopting MediaOne's proposal instead.<sup>407</sup>

125. AT&T also proposes language requiring mid-span meets to be activated within 120 days of an initial implementation meeting between the parties, to be held no later than 10 days of Verizon's receipt of AT&T's responses to Verizon's mid-span fiber meet interconnection questionnaire.<sup>408</sup> AT&T states that, because Verizon has no incentives to implement meet-point arrangements for its competitors, the agreement needs to include firm interconnection activation dates for meet-point interconnection.<sup>409</sup> According to AT&T, Verizon's proposal would require the parties to agree to all aspects of meet-point interconnection before any time frames began to

---

<sup>401</sup> See *id.* at 40. See also 47 U.S.C. § 251(c)(2)(B) (requiring incumbent LECs to provide interconnection at any technically feasible point).

<sup>402</sup> See AT&T Brief at 42.

<sup>403</sup> See *id.* at 42.

<sup>404</sup> See *id.* at 41-42.

<sup>405</sup> See *id.* at 43.

<sup>406</sup> See *id.* at 43-44.

<sup>407</sup> See *id.* at 43-44, citing *MediaOne/Greater Media Arbitration Order*, D.T.E. 99-42/43, 99-52 (1999) (*Massachusetts Department MediaOne Arbitration Order*).

<sup>408</sup> See AT&T's November Proposed Agreement to Verizon, Sch. 4, Part B, § 1.6.4.

<sup>409</sup> See AT&T Brief at 44.

run, and would therefore place no timing restrictions on Verizon. AT&T argues that this open-ended process is an unreasonable condition of interconnection under section 251(c)(2)(D) of the Act, and should be rejected.<sup>410</sup> AT&T adds that the imposition of time frames for other forms of interconnection, such as collocation, is commonplace, and recognizes a competitive carrier's need for certainty when expanding its network.<sup>411</sup> AT&T argues that its proposed 120-day completion timeline is a reasonable one, and notes that its proposal allows Verizon to seek a waiver of the timeline from the Virginia Commission, should exceptional circumstances arise.<sup>412</sup>

126. WorldCom similarly argues that Verizon should not be allowed the power to veto a mid-span meet-point arrangement or unreasonably restrict the conditions under which it may occur.<sup>413</sup> WorldCom adds that it is not difficult to imagine Verizon simply withholding agreement, given its testimony that a reasonable build-out should not extend more than a few hundred feet.<sup>414</sup> WorldCom states that its proposed language provides for the joint engineering and operation of the mid-span meet and provides for agreement on technical interface specifications.<sup>415</sup> WorldCom further states that its proposed interconnection architecture establishes a 50/50 sharing of the cost of interconnection, in conformance with the Commission's orders. Specifically, WorldCom states that its proposal provides for each party providing one fiber strand in a diverse, dual-fiber SONET ring interconnection, as well as all of the electronics on its own end of the interconnection.<sup>416</sup> WorldCom states that this arrangement addresses Verizon's concerns about excessively long mid-span meets and excessive costs, by giving WorldCom an incentive to limit the total costs of the mid-span meet.<sup>417</sup> WorldCom adds that its proposed architecture will benefit the customers of both carriers by providing route diversity and redundancy.<sup>418</sup> WorldCom disputes the assertion that it seeks a unilateral right to dictate the details of the mid-span meet. WorldCom states that its language envisions a cooperative process, and would impose WorldCom's specifications only in the absence of agreement.<sup>419</sup> WorldCom

---

<sup>410</sup> See *id.* at 44-45.

<sup>411</sup> See *id.* at 45.

<sup>412</sup> See *id.* at 46.

<sup>413</sup> See WorldCom Brief at 34-36.

<sup>414</sup> See WorldCom Reply at 36, citing Tr. at 1446-47.

<sup>415</sup> See WorldCom Brief at 35-36.

<sup>416</sup> See *id.* at 38-39.

<sup>417</sup> See *id.* at 39; WorldCom Reply at 35.

<sup>418</sup> See WorldCom Brief at 39-40.

<sup>419</sup> See WorldCom Reply at 34.

further contends that Verizon's proposed language, by contrast, provides simply for open-ended negotiation of interconnection terms outside the context of the interconnection agreement.<sup>420</sup>

127. Verizon argues that the Commission should adopt its proposed language, which requires the parties to reach mutual agreement through a memorandum of understanding prior to deploying a mid-span meet.<sup>421</sup> Verizon objects to both AT&T's and WorldCom's proposals, on the grounds that they give the petitioners the ability to dictate to Verizon the technical specifications associated with the mid-span meet.<sup>422</sup> According to Verizon, the parties need to mutually agree on these technical specifications so that both parties to the fiber interconnection, rather than solely the petitioners, can derive the benefits of this architecture.<sup>423</sup> Verizon argues that if one party has the ability to dictate the particulars of the mid-span meet, then that party has the incentive and ability to impose an arrangement that may not be mutually beneficial.<sup>424</sup> Verizon cites WorldCom's proposed diverse, dual-fiber ring architecture as an example of an interconnection architecture replete with pitfalls for Verizon. According to Verizon, WorldCom's proposed architecture is not a classic mid-span meet architecture at all, since it would require Verizon to take fiber all the way to the location of WorldCom's fiber optic terminating equipment, potentially doubling Verizon's costs.<sup>425</sup>

128. In addition, Verizon objects to both petitioners' proposals on the grounds that they only account for a sharing of the construction costs associated with the fiber meet, rather than including maintenance costs and Verizon's embedded costs.<sup>426</sup> Verizon argues that the only way to ensure that the costs of the mid-span meet are apportioned equally is to have the parties mutually agree on the details of the particular mid-span meet.<sup>427</sup>

129. In addition, Verizon objects to AT&T's proposed 120 day timeline for the implementation of a mid-span meet. Although Verizon acknowledges that mid-span meet interconnections can usually be implemented within 120 days, Verizon argues that this implementation schedule is appropriate only once the technical and operational details of the mid-span meet have been worked out.<sup>428</sup> Verizon states that AT&T's proposal, by contrast,

---

<sup>420</sup> See *id.* at 37.

<sup>421</sup> See Verizon NA Brief at 47.

<sup>422</sup> See *id.* at 42.

<sup>423</sup> See *id.* at 46.

<sup>424</sup> See Verizon NA Brief at 42-43.

<sup>425</sup> See Verizon NA Reply at 22-23.

<sup>426</sup> See *id.* at 24.

<sup>427</sup> See *id.* at 24.

<sup>428</sup> See Verizon NA Brief at 45.

initiates the 120 day timeline from the moment AT&T informs Verizon it would like mid-span meet interconnection.<sup>429</sup> Verizon argues that mid-span meets are special arrangements with technical details that need to be agreed upon prior to implementation and that the Commission should therefore adopt its proposal, which requires the parties to reach mutual agreement before deploying a mid-span meet.<sup>430</sup>

**c. Discussion**

130. We adopt AT&T's proposed language for mid-span meet interconnection, with one modification, as set out below.<sup>431</sup> We find that this language adequately addresses the need for joint coordination between the parties in designing and implementing the mid-span meet. Specifically, AT&T's proposal provides for joint engineering planning sessions and cooperative development of technical interface specifications for the meet-point interconnection. We thus reject Verizon's claim that AT&T's proposal would enable it to dictate the particulars of the mid-span meet.<sup>432</sup> Indeed, AT&T's proposal establishes a mechanism for resolving disagreements in event the parties cannot agree on material terms relating to the implementation of the mid-span meet.<sup>433</sup> In this manner, AT&T's proposal envisions joint planning and mutual agreement (as urged by Verizon), but also provides for the resolution of disagreements.

131. We reject Verizon's proposed language with respect to both petitioners.<sup>434</sup> Like AT&T's proposal, Verizon's envisions that the parties will seek mutual agreement on all technical, compensation and other issues necessary to implement the interconnection. Unlike AT&T's, however, Verizon's proposal contains no process for resolving implementation disagreements between the parties. We thus find that AT&T's proposal will better serve the parties in the future by allowing for the prompt resolution of disagreements, if any are to arise, in the process of mutually planning and implementing these interconnection arrangements.

132. We also adopt AT&T's proposed language specifying a timeline for the activation of mid-span meet interconnection between the parties.<sup>435</sup> As Verizon acknowledges, 120 days is ordinarily a suitable timeframe for the implementation of a mid-span meet once the technical and operation details of the interconnection have been determined. AT&T's proposal provides for an

---

<sup>429</sup> See *id.* at 45.

<sup>430</sup> See *id.* at 47.

<sup>431</sup> See AT&T's November Proposed Agreement to Verizon, Schedule 4, Part B, §§ 1.6 *et seq.*, 2.6 *et seq.*

<sup>432</sup> See Verizon's NA Brief at 42-43.

<sup>433</sup> See AT&T's November Proposed Agreement to Verizon, Schedule 4, Part B, § 1.6.4.

<sup>434</sup> Verizon's November Proposed Agreement to AT&T, § 4.3 *et seq.*; Verizon's November Proposed Agreement to WorldCom, § 3 *et seq.*

<sup>435</sup> See AT&T's November Proposed Agreement to Verizon, Schedule 4, Part B, § 1.6.4.

implementation meeting to allow the parties to work out such details prior to triggering the 120 day timeline, and provides a process under which Verizon may seek a waiver if the 120 day interval is unattainable. Verizon does not demonstrate that AT&T's approach, particularly in light of this waiver process, would be unreasonable or burdensome. Furthermore, we agree with AT&T that a wholly open-ended process amounts to having no timeline at all; we thus reject Verizon's proposed approach.

133. While as a whole AT&T's proposal for mid-span meet-point interconnection is more consistent with the Act and the Commission's implementing rules than Verizon's, Verizon raises valid concerns regarding AT&T's language allocating the costs of interconnection between the parties. In the *Local Competition First Report and Order*, the Commission stated, "In a meet point arrangement, each party pays its portion of the costs to build out the facilities to the meet point."<sup>436</sup> The Commission stated further that, in a meet point interconnection established pursuant to section 251(c)(2), the incumbent and the new entrant are "co-carriers and each gains value from the interconnection arrangement"; under these circumstances, the Commission reasoned, "it is reasonable to require each party to bear a reasonable portion of the economic costs of the arrangement."<sup>437</sup> AT&T's proposal splits the costs of construction between the parties equally, but does not split any of the costs of maintenance of the mid-span meet. Instead, AT&T's proposal leaves each party responsible for maintaining its side of the fiber splice. Depending upon the location AT&T chooses for the fiber splice, this could leave Verizon bearing an inequitable share of the costs of maintaining the mid-span meet. AT&T's proposal also does not account for situations where embedded plant is used to reach the meet point instead of newly constructed facilities. Excluding the economic cost of embedded plant from the costs to be shared equally by the parties does not result in each party bearing "a reasonable portion of the economic costs of the arrangement."<sup>438</sup> Accordingly, we modify the sentence in AT&T's proposed language governing the allocation of mid-span meet costs to include the costs of maintenance, and the forward-looking economic cost of embedded facilities used to construct the mid-span meet.<sup>439</sup>

134. We reject the language proposed by WorldCom,<sup>440</sup> and agree with Verizon that WorldCom's proposed interconnection architecture is not a proposal for the type of meet-point interconnection envisioned by the *Local Competition First Report and Order*. As the

---

<sup>436</sup> *Local Competition First Report and Order*, 11 FCC Rcd at 15780-81, para. 553.

<sup>437</sup> *Id.* at 15780-81, para. 553.

<sup>438</sup> *Id.* at 15780-81, para. 553.

<sup>439</sup> Specifically, we modify AT&T's proposed Schedule 4, Part B, section 1.6.2 as follows. The sentence that reads "The reasonably incurred construction costs for a Mid-Span Fiber Meet established pursuant to this Section will be shared equally...." is modified to read: "The reasonably incurred construction and maintenance costs for a Mid-Span Fiber Meet established pursuant to this Section, including the forward-looking economic cost of embedded facilities (*i.e.*, pre-existing facilities) used to construct the Mid-Span Fiber Meet, will be shared equally...."

<sup>440</sup> WorldCom's November Proposed Agreement to Verizon, Attach. IV, § 1.1.5, *et seq.*

Commission stated in the *Local Competition First Report and Order*, for meet-point interconnection pursuant to section 251(c)(2) of the Act, it “makes sense” that “each party pays its portion of the costs to build out facilities to the meet point.”<sup>441</sup> WorldCom’s proposed interconnection architecture, however, raises entirely different issues regarding cost allocation between the parties than those raised by a meet-point arrangement. Under WorldCom’s proposed interconnection architecture, Verizon potentially bears the cost of building new facilities all the way to a WorldCom central office location designated by WorldCom, rather than only to a meet-point between the two carriers’ networks. Accordingly, we reject the language in section 1.1.5 of WorldCom’s proposed Attachment IV.

135. Having rejected both the Verizon and WorldCom proposals to each other for this issue, we exercise our discretion under the Commission’s rules to adopt language submitted by neither party.<sup>442</sup> For the reasons set forth above, we find that AT&T’s proposed language, as modified herein, represents a reasonable approach for WorldCom’s mid-span meet-point interconnection as well. Accordingly, we direct Verizon and WorldCom to include language consistent with AT&T’s proposed language, as modified herein, in their final agreement.

## **8. Issue III-4-B (Disconnection of Underutilized Trunks)**

### **a. Introduction**

136. Verizon proposes language permitting it unilaterally to terminate its underutilized, one-way trunk groups, which it defines as groups with a utilization level of less than 60 percent during a 90-day period. Verizon claims to need this ability in order to manage its network efficiently. AT&T opposes Verizon’s proposal, arguing that it is contrary to industry standards and could result in stranded costs and maintenance problems for AT&T. With certain modifications, we adopt AT&T’s proposal.

### **b. Positions of the Parties**

137. AT&T argues that Verizon’s proposal would allow unilateral action contrary to industry standards and that, instead, the parties should follow the Ordering and Billing Forum (OBF) procedures that interconnected carriers typically use to add, modify, and discontinue interconnection trunks.<sup>443</sup> Specifically, AT&T contends that these procedures provide that the party with “control” over the trunk group would issue an access service request (ASR) to the other party to establish, increase or decrease the trunk group’s size, at which point the other party either would agree or request a meeting to resolve any differences.<sup>444</sup> According to AT&T, if one

<sup>441</sup> See *Local Competition First Report and Order*, 11 FCC Rcd at 15780-81, para. 553.

<sup>442</sup> See 47 C.F.R. § 51.807(f)(3).

<sup>443</sup> AT&T Brief at 50.

<sup>444</sup> *Id.* at 50. AT&T also argues that, despite the potential to affect service quality through unilateral action, Verizon does not want the contract to specify a trunk disconnection process. *Id.* at 50 n.173, citing Tr. at 1524.

party alters a trunk group without the other party making a corresponding change, plant becomes stranded, creating unanticipated maintenance problems.<sup>445</sup> Moreover, AT&T argues that it too has the incentive to agree to disconnect underutilized trunks because underutilized trunks also tie up space on AT&T's facilities, preventing the efficient use of its network.<sup>446</sup> Finally, AT&T states that it will commit to issuing a firm order confirmation (FOC) within ten days of receipt of Verizon's ASR; it asserts that, if Verizon agrees to wait for AT&T's FOC before disconnecting trunks, the issue is resolved.<sup>447</sup>

138. According to Verizon, it has "legitimate problems" in its network because of trunk underutilization.<sup>448</sup> To address this problem, Verizon proposes contract language that would permit it to disconnect underutilized trunks. Verizon contends that it follows a series of steps before disconnecting trunks, including reviewing actual trunk group traffic data and history to determine if there is a particular pattern associated with this trunk group, as well as reviewing the most current forecasts provided by AT&T.<sup>449</sup> Additionally, Verizon states that it contacts AT&T to determine whether there is any reason why it should not disconnect the trunk group.<sup>450</sup> Verizon asserts that these internal procedures should satisfy AT&T's concerns about "spiky" traffic.<sup>451</sup>

139. Despite this process, however, Verizon contends that AT&T would have it wait for a FOC before disconnecting the trunk group even though AT&T has no incentive to agree to the disconnection.<sup>452</sup> Also, Verizon argues that AT&T overstates the relevance of certain OBF procedures for disconnecting trunk groups.<sup>453</sup> For example, Verizon argues that the OBF does not mandate that a FOC is needed before a LEC can disconnect an underutilized trunk. Instead, Verizon contends that the procedures that AT&T discusses in its brief relate to orders for trunk

---

<sup>445</sup> AT&T Brief at 50. Additionally, AT&T contends that trunk traffic is "spiky" by nature and it is not unusual to see substantial increases of traffic after a period of relative stability. *Id.* at 51.

<sup>446</sup> AT&T Reply at 24, citing Verizon NA at 52. Moreover, AT&T argues that Verizon has offered no evidence that AT&T has acted unreasonably and refused to agree to disconnect underutilized trunk groups. *Id.*

<sup>447</sup> AT&T Brief at 52, citing Tr. at 1572.

<sup>448</sup> Verizon NA at 53, citing Tr. at 1531.

<sup>449</sup> Verizon NA at 52.

<sup>450</sup> *Id.* at 52.

<sup>451</sup> Verizon NA at 27, citing Verizon Ex. 18 (Rebuttal Testimony of D. Albert and P. D'Amico), at 13-14. *See also*, AT&T Brief at 51 (arguing that it is not unusual to see substantial increases of traffic after a period of relative stability).

<sup>452</sup> Verizon Network Architecture Brief at 52 (noting that, unlike interexchange carriers, AT&T is not paying for these trunks for Verizon-originated traffic).

<sup>453</sup> Verizon NA Reply at 27.

groups that a competitive LEC usually places with an incumbent, which is not the issue before the Commission.<sup>454</sup>

**c. Discussion**

140. While we are sympathetic to Verizon's arguments about network management, we decline to give it the unilateral discontinuance authority that it seeks. Consequently, we reject Verizon's proposal in favor of AT&T's language.<sup>455</sup> Nevertheless, we also see shortcomings with AT&T's proposal.<sup>456</sup> We therefore direct the parties to include in their compliance filing a requirement that, before disconnecting trunk groups, Verizon shall obtain a FOC from AT&T, which AT&T will provide within ten calendar days of receipt of Verizon's ASR.. Should the parties be unable to agree about a particular group, they may use the agreement's dispute resolution process.

141. Although Verizon explains the internal procedures it follows before disconnecting a trunk group, which include contacting AT&T, it has not proposed that these steps be included in the contract. The pertinent section of its proposal to AT&T provides that it "may disconnect trunks that are not warranted by the actual traffic volumes in accordance with the trunk utilization percentages" contained elsewhere in the agreement.<sup>457</sup> Absent the assurance that Verizon is contractually bound to follow the procedures described in its testimony, we cannot rely on them because Verizon can, of course, modify its internal guidelines at any time.

142. Verizon's witness was clear in his explanation of how underutilized trunks create inefficiencies in Verizon's network (*e.g.*, by tying up capacity that could be used by other carriers) and we note that his statements were uncontested.<sup>458</sup> Moreover, it is undisputed that Verizon owns the trunks in question and that, as we mentioned earlier, it may be held financially accountable if it fails to meet certain performance standards.<sup>459</sup> Verizon is incorrect, however, to suggest that AT&T's concerns about sharp fluctuations or "spikes" in traffic are addressed by Verizon's internal procedures, which may be changed unilaterally and without notice to AT&T.

---

<sup>454</sup> *Id.* at 27. We note that while much was made by both parties about the applicability of OBF standards to underutilized trunks, neither party provided any cite to these standards. Given the disagreement about the circumstances under which these standards apply, we cannot place any weight on either party's arguments with respect to this subject.

<sup>455</sup> See Verizon's November Proposed Agreement to AT&T, § 10.3.2.2.

<sup>456</sup> See AT&T's November Proposed Agreement to Verizon, § 10.3.2.1. We note that the language contained in AT&T's contract proposals differ between that found in the proposed contract and the November DPL. We direct the parties to include the latter, which it numbered as section 10.3.2.

<sup>457</sup> See Verizon's November Proposed Agreement to AT&T, § 10.3.2.2.

<sup>458</sup> See Tr. at 1526-27.

<sup>459</sup> See AT&T Brief at 49 (stating that Verizon seeks to disconnect Verizon's outbound trunks); *see also supra*, Issue I-7/III-4 (footnote discussing performance standards for trunking).

143. Our record is also clear that having to provision trunks that have been disconnected is a drain on the resources of both parties.<sup>460</sup> Verizon's proposed language could result in this unnecessary step.<sup>461</sup> Although we reject Verizon's proposal, we recognize that absent AT&T's commitment to return FOCs within ten days, Verizon's ability to manage its network in an efficient manner may be impeded.<sup>462</sup> For those occasions where the parties simply cannot agree on whether to disconnect a trunk group, either party may use the dispute resolution process set forth in the agreement.<sup>463</sup> We direct the parties to incorporate our findings on this issue in their compliance filing.

## 9. Issue IV-2 (Mutual Agreement on Two-Way Trunks)

### a. Introduction

144. Verizon and WorldCom both propose nearly identical sections entitled "Two-Way Interconnection Trunks," which govern most aspects of implementing two-way trunks between their networks.<sup>464</sup> There are, however, two areas of dispute: whether mutual agreement is required for two-way trunking,<sup>465</sup> and compensation for two-way trunk facilities.<sup>466</sup> Specifically, WorldCom proposes language requiring that trunks will be provisioned as one-way or two-way trunks according to WorldCom's election.<sup>467</sup> In addition, WorldCom's proposed language requires the parties to divide equally the non-recurring charges for two-way trunking facilities.<sup>468</sup> Verizon proposes corresponding language subjecting the implementation of one-way and two-

---

<sup>460</sup> See Tr. at 1566-67.

<sup>461</sup> Tr. at 1567 (noting that resources not used reconnecting trunk groups can be more profitably spent elsewhere in the parties' networks).

<sup>462</sup> For this reason, we interpret AT&T's agreement to return a FOC within ten days to mean ten calendar, and not business, days.

<sup>463</sup> Both parties recognize that this process is the appropriate one to resolve such disputes. See Tr. at 1532, 1569-70.

<sup>464</sup> Compare Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.4 with WorldCom's November Proposed Agreement, Attach. IV, § 1.8 *et seq.* Except as otherwise discussed in this section, and under Issues I-7/III-4, these provisions are uncontested and we are not asked to accept or reject either set of language.

<sup>465</sup> See Verizon Network Architecture (NA) Brief at 60.

<sup>466</sup> See Tr. at 2482-84; WorldCom Brief at 46. During the hearing, Verizon stated that its proposed trunking language included its proposal to cap the number of WorldCom tandem interconnection trunks. That proposal is the subject of Issue I-4, where it is more appropriately addressed. See *supra*, Issue I-4; Tr. at 2388-89, 2482-84.

<sup>467</sup> See WorldCom's November Proposed Agreement, Attach. IV, § 1.2.7.2.

<sup>468</sup> See WorldCom's November Proposed Agreement, Attach. IV, § 1.8.11.

way trunks to mutual agreement,<sup>469</sup> and allocating differently WorldCom's share of the recurring and non-recurring charges for two-way trunks.<sup>470</sup> While Verizon's proposed language for this issue includes a provision governing traffic forecasting and facilities augmentation for two-way interconnection trunks, we address this language elsewhere in the order.<sup>471</sup> We adopt WorldCom's proposed language with certain modifications, as discussed below.

**b. Positions of the Parties**

145. WorldCom argues that it has a right to require Verizon to provide two-way trunking upon request, subject only to the limitations of technical feasibility.<sup>472</sup> WorldCom states that, during the hearing, Verizon conceded that WorldCom has the right to choose whether or not the parties use one- or two-way trunks and agreed to its proposed section 1.2.7.2.<sup>473</sup> WorldCom also argues that Verizon's proposed language governing compensation for two-way trunks is unfair, unfounded in law, and anticompetitive. WorldCom states that Verizon's proposal would have WorldCom always pay for two-way trunk facilities, but would not require Verizon to pay anything for those facilities, even though they carry both parties' traffic.<sup>474</sup>

146. According to Verizon, its need for mutual agreement over two-way trunks is analogous to the need for mutual agreement over mid-span fiber meet-point interconnection.<sup>475</sup> In its reply brief, Verizon disputes WorldCom's assertion that Verizon's witness agreed to WorldCom's proposed section 1.2.7.2 during the hearing. Verizon states that its witness merely agreed that WorldCom had the right to choose whether to use one- or two-way trunking.<sup>476</sup> Verizon argues that two-way trunks present operational issues for Verizon's network in addition to WorldCom's network, and that Verizon should have some say in how that impact is assessed and handled.<sup>477</sup> In support of its language governing compensation for two-way trunks, Verizon states that, when it connects trunks into its switches, Verizon incurs non-recurring trunk installation charges that are not recovered in its reciprocal compensation rates.<sup>478</sup> Verizon states

<sup>469</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.2.3.

<sup>470</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.5.

<sup>471</sup> See *supra*, Issue I-7/III-4 (discussing and rejecting Verizon's proposed section 2.4.8).

<sup>472</sup> See WorldCom Brief at 46, citing 47 C.F.R. § 51.305(f) (requiring incumbent LECs to provide two-way trunking upon request).

<sup>473</sup> See WorldCom Brief at 46, citing Tr. at 2388.

<sup>474</sup> See *id.* at 46.

<sup>475</sup> See Verizon NA at 60; Verizon NA at 31-32.

<sup>476</sup> See *id.* at 32.

<sup>477</sup> See Verizon NA at 60.

<sup>478</sup> See *id.* at 65.

that its proposed language provides that non-recurring charges for activating two-way trunks will be divided equally for the work done on Verizon's side of the WorldCom IP.<sup>479</sup> Verizon argues that its proposed language will ensure that it is compensated for the work it performs in connecting two-way trunks.<sup>480</sup>

**c. Discussion**

147. We adopt WorldCom's language regarding the choice of one- or two-way trunking.<sup>481</sup> We find this language to be consistent with the Commission's rules governing the provision of interconnection trunks to competing LECs.<sup>482</sup> Regardless of whether Verizon's witness may have agreed to WorldCom's proposed section 1.2.7.2 during the hearing,<sup>483</sup> we note that Verizon concedes in any case that WorldCom has the right to choose whether to use one-way or two-way trunking,<sup>484</sup> and does not suggest that WorldCom's proposed language is inconsistent with the Commission's rules. Furthermore, we reject Verizon's proposed section 2.2.3 subjecting the implementation of one- or two-way trunks to the mutual agreement of the parties. As we stated with respect to mid-span meet interconnection, WorldCom has the right to require Verizon to provide any technically feasible method of interconnection.<sup>485</sup> Consequently, we do not believe that Verizon's consent should be a prerequisite for the implementation of interconnection trunks. Furthermore, we note that the parties apparently have agreed to language providing for joint consultation and coordination in the development of two-way trunk interconnection arrangements.<sup>486</sup> Thus, Verizon's proposed section 2.2.3 appears unnecessary and, to the extent it suggests that Verizon may refuse a request for technically feasible interconnection, violates the Act and the Commission's implementing rules. We accordingly reject it.<sup>487</sup>

---

<sup>479</sup> See *id.* at 66.

<sup>480</sup> See *id.* at 66.

<sup>481</sup> See WorldCom's November Proposed Agreement, Attach. IV, § 1.2.7.2.

<sup>482</sup> See 47 C.F.R. § 51.305.

<sup>483</sup> See Tr. at 2388 (agreeing to WorldCom's proposed section 1.2.7.2).

<sup>484</sup> See Verizon NA Reply at 32.

<sup>485</sup> See 47 U.S.C. § 251(c)(2); 47 C.F.R. § 51.321(a).

<sup>486</sup> Compare, e.g., Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.4.1 with WorldCom's November Proposed Agreement, Attach. IV, § 1.8 (both of which envision joint planning meetings and mutual agreement on certain issues).

<sup>487</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.2.3.

148. We adopt WorldCom's language apportioning recurring charges for two-way trunks based on proportion of use,<sup>488</sup> finding the proposal to be efficient and equitable, and consistent with the Commission's rules.<sup>489</sup> We find it necessary to modify the final sentence of WorldCom's proposed provision, which addresses the apportionment of non-recurring charges, in order to avoid ambiguity and to tie the adopted language more closely to the parties' arguments in the record. Specifically, we find that that WorldCom did not explain what it means by "nonrecurring charges for initial facilities," focusing instead on how to apportion the nonrecurring charge involved with connecting two-way interconnecting trunks to a switch.<sup>490</sup> While we agree with WorldCom's position with respect to these particular non-recurring charges, we are not prepared to adopt its proposed language, which appears to be far broader and could even be interpreted as encompassing initial construction costs. We also find that it would be simpler for the parties to cover their own nonrecurring costs of connecting interconnection trunks to their switches, rather than pooling these charges and dividing by two, as WorldCom's proposal seems to require. We thus modify the final sentence to read as follows: "Neither party shall charge the other nonrecurring charges for connecting these interconnecting trunks into their switches."

149. We reject Verizon's language governing compensation for two-way trunk facilities because it appears to allocate costs disproportionately between the parties.<sup>491</sup> Verizon's language leaves WorldCom wholly responsible for any recurring charges for two-way trunk usage on WorldCom's side of what Verizon describes as the WorldCom IP. Furthermore, Verizon's proposed language requires WorldCom to bear half of the non-recurring charges on Verizon's side of the WorldCom IP, as well as all of the non-recurring charges on WorldCom's side of the WorldCom IP. Finally, Verizon's proposed language leaves WorldCom wholly responsible for all of the non-recurring and recurring charges for two-way trunks if it fails to establish IPs in accordance with Verizon's VGRIPs proposal. These provisions appear to be an implementation of Verizon's VGRIPs proposal to WorldCom. As discussed earlier, we reject that proposal, and reject this language accordingly.<sup>492</sup> Even leaving the VGRIPs proposal aside,

---

<sup>488</sup> Except with respect to the final sentence of the proposed paragraph, we thus adopt WorldCom proposed section 1.8.11. We note that the adopted language applies generally to interconnecting trunk groups between Verizon and WorldCom, and includes "trunking that carries Transit Traffic." We emphasize that neither party mentioned this language in their briefs, and that the meaning of this language was not an issue presented to us for arbitration. We note, however, that the parties did raise issues relating to transit traffic, including compensation for such traffic, tied to other proposed language, which we address elsewhere in the order under Issues III-1/III-2/IV-1 and Issues V-3/V-4-A. Moreover, WorldCom's proposed language requires each party to pay a share of the recurring charges for transport facilities proportional to the share of the traffic "originated by that Party." In some instances, transport traffic is not originated by either party (and thus does not appear to fall within the scope of the proposed language).

<sup>489</sup> See 47 C.F.R. § 51.709(b).

<sup>490</sup> See WorldCom's November Proposed Agreement, Attach. IV, § 1.8.11; WorldCom Brief at 46, 55-56.

<sup>491</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 2.5.

<sup>492</sup> See *supra*, Issue I-1.

Verizon provides no explanation for why WorldCom should bear a greater share of non-recurring charges for two-way trunks on its side of the trunks than Verizon bears for non-recurring charges on its own side of the trunks, given that the trunks are shared by both parties. During the hearing, Verizon conceded that, like Verizon, WorldCom incurs costs to connect two-way trunks on its network.<sup>493</sup> Thus, in addition to improperly allocating recurring and non-recurring charges for two-way trunks based on its VGRIPs proposal, Verizon's proposed terms appear disproportionately to allocate non-recurring charges for two-way trunk facilities between the parties.

## **10. Issue IV-3 (Trunk and Facilities Augmentation)**

### **a. Introduction**

150. WorldCom proposes language that would require WorldCom and Verizon to augment their facilities when the overall system facility is at 50 percent of capacity, ensure adequate facility capacity for at least two years of forecasted traffic, and complete construction of relief facilities within two months. Verizon opposes WorldCom's proposal, arguing, among other things, that WorldCom is seeking a grade of service that is significantly superior to how Verizon currently engineers and operates its network. The parties disagree over which Commission precedent applies to this issue. Verizon contends that, in the *UNE Remand Order*, the Commission declined to require incumbent LECs to construct new transport facilities to meet specific competitive LEC point-to-point demand requirements when the incumbent LEC has not deployed such facilities for its own use.<sup>494</sup> By contrast, WorldCom relies on the ruling, in the *Local Competition First Report and Order*, that sections 251(c)(2) and (3) require modifications to incumbent LEC facilities to the extent necessary to accommodate interconnection or access to network elements.<sup>495</sup> We reject WorldCom's proposal and adopt one provision, section 5.2.4, of Verizon's language.

### **b. Positions of the Parties**

151. According to WorldCom, including its proposal in the agreement is important because, if facilities are inadequately sized or structured, Verizon will refuse to provision trunks, claiming that no facilities are available.<sup>496</sup> Although WorldCom contends that its proposal reflects the current practice between WorldCom and Verizon, it indicates its willingness to increase the trigger point at which the parties must augment the capacity of their facilities from

<sup>493</sup> See Tr. at 2412, 2488-89, 2505-06.

<sup>494</sup> See *UNE Remand Order*, 15 FCC Rcd 3696, 3843, para. 324.

<sup>495</sup> See *Local Competition First Report and Order*, 11 FCC Rcd 15499, 15602-03, para. 198. WorldCom also cites to Rule 51.305, which sets forth an incumbent LEC's interconnection obligations, in support of its proposal. 47 C.F.R. § 51.305.

<sup>496</sup> WorldCom Brief at 48. Moreover, WorldCom argues that, if sufficient facilities are unavailable, WorldCom's switch installation can be delayed by months. *Id.* at 51.

50 percent to 75-85 percent.<sup>497</sup> WorldCom also argues that its proposed two-month relief language is consistent with the Act and regulations requiring Verizon to interconnect with WorldCom at any technically feasible point, and to modify its facilities to the extent necessary to accommodate such interconnection.<sup>498</sup>

152. WorldCom disagrees with Verizon's assertion that, since it is impossible to build trunks without adequate underlying facilities, Verizon's trunking augmentation process is sufficient.<sup>499</sup> WorldCom asserts that installing additional facilities requires considerably more work than installing trunks and, thus, it is important to establish terms and conditions in this agreement regarding facilities.<sup>500</sup> According to WorldCom, until sufficient facilities are in place, no additional trunks can be provisioned, which would result in trunk blockages.<sup>501</sup> Finally, WorldCom argues that the agreement's terms that address trunk augmentations do not apply to facilities and, therefore, the language that Verizon proposed for this issue should be rejected even if we also reject WorldCom's language.<sup>502</sup>

153. Verizon argues that, since trunks ride facilities, Verizon cannot augment trunks without having enough facilities in place.<sup>503</sup> Thus, according to Verizon, it regularly augments its facilities rendering WorldCom's contract language overly broad and unnecessary.<sup>504</sup> In contrast, Verizon argues that its proposal directs the parties to conduct joint planning meetings to reach agreement on various network implementation issues, and other sections of its proposed contract address augmentation.<sup>505</sup> Verizon resists giving WorldCom such a direct voice in how Verizon's network should be designed and it asserts that facilities are not dedicated to a particular carrier but rather are commonly shared among different carriers.<sup>506</sup> Because of this fact, Verizon argues

---

<sup>497</sup> *Id.* at 48-49 & n.31 (noting that this higher trigger was agreed to by BellSouth but that Verizon refuses to include any trigger in the agreement).

<sup>498</sup> *Id.* at 49, citing 47 U.S.C. § 251(c)(2)-(3); 47 C.F.R. § 51.305; *Local Competition First Report and Order*, 11 FCC Rcd at 15602-03, para. 198. According to WorldCom, Verizon's reluctance to include WorldCom's proposal in the agreement impedes competition. WorldCom Brief at 51.

<sup>499</sup> WorldCom Brief at 48; WorldCom Reply at 46, citing Verizon Network Architecture (NA) Brief at 60.

<sup>500</sup> WorldCom Reply at 46.

<sup>501</sup> *Id.* at 46, citing Tr. at 2363.

<sup>502</sup> *Id.* at 47.

<sup>503</sup> Verizon NA Brief at 60-61.

<sup>504</sup> *Id.* at 61, citing Tr. at 2337.

<sup>505</sup> *Id.* at 62 (noting, for example, its commitment to monitor trunk groups under its control and augment accordingly).

<sup>506</sup> *Id.* at 61-62.

that it is virtually impossible for Verizon to augment a singular item specifically for WorldCom.<sup>507</sup>

154. Verizon disagrees with WorldCom's suggestion that its facility augmentation proposal reflects the current practice between the parties.<sup>508</sup> It points out that WorldCom's proposal would require Verizon to build up its facilities when they are at 50 percent of capacity at no cost to WorldCom.<sup>509</sup> Verizon argues that it is not required to construct new transport facilities to meet specific competitive LEC point-to-point demand requirements for facilities that it has not deployed for its own use.<sup>510</sup> Verizon also argues that WorldCom's use of "facilities" is vague and that there is no way to define what is to be examined to measure utilization.<sup>511</sup> For these reasons, Verizon concludes that augmentation should be addressed in the context of trunk utilization, which Verizon advocates.<sup>512</sup>

**c. Discussion**

155. We agree with Verizon and reject WorldCom's facilities augmentation language.<sup>513</sup> WorldCom's proposal, specifically sections 1.1.6.4 and 1.1.6.5, does not reflect the parties' current practice. We share Verizon's concerns about requiring it to modify its network to provide WorldCom with a level of service that is superior to what Verizon provides to itself. Verizon argues persuasively that its network consists of numerous shared facilities, making it "virtually impossible" to augment a single item specifically for WorldCom.<sup>514</sup> Although afforded several opportunities, WorldCom did not address this criticism of its proposal. Without opposition, Verizon's argument about the practical inability to implement WorldCom's proposed process is a compelling one.<sup>515</sup> We also agree with Verizon that its trunk augmentation process

---

<sup>507</sup> *Id.* at 62.

<sup>508</sup> Verizon NA Reply at 32, citing Tr. at 2361-62 to establish WorldCom's admission that its proposal does not reflect current practice.

<sup>509</sup> *Id.* at 33.

<sup>510</sup> *Id.* at 33, citing *UNE Remand Order*, 15 FCC Rcd at 3843, para. 324.

<sup>511</sup> Verizon NA Reply at 33, citing Tr. at 2335.

<sup>512</sup> *Id.* at 33.

<sup>513</sup> Although we decline to adopt WorldCom's proposal, we note that Verizon's criticism of this proposal centered on two of the five subsections of WorldCom's language: 1.1.6.4 and 1.1.6.5. While we do not compel the parties to do so, we have no objection to the parties including sections 1.1.6.1, 1.1.6.2, and 1.1.6.3 in their contract. We also note that we are directing the parties to include WorldCom's proposed section 4 of Attachment IV in the contract. *See supra*, Issue I-7/III-4.

<sup>514</sup> *See* Verizon NA Brief at 62, citing Tr. at 2354.

<sup>515</sup> In reviewing WorldCom's proposal, Verizon's witness stated repeatedly, "this is something I can't deliver on." Tr. at 2338; *see also* Tr. at 2340, 2351. Additionally, Verizon testified that limiting WorldCom's proposal to facilities between the parties would not solve this problem because these facilities could still encompass transport (continued....)

will adequately address WorldCom's concerns. Although WorldCom states the obvious proposition that if facilities exhaust, no additional trunk groups can be provisioned,<sup>516</sup> it ignores the intervening steps that Verizon can take to prevent such an occurrence along with Verizon's incentive to do so.<sup>517</sup> Namely, the parties reached agreement on the appropriate design standard by which each would engineer its network, with the intent to minimize efficiently the amount of call blocking.<sup>518</sup> WorldCom has failed to demonstrate that Verizon's engineers lack the ability or incentive to determine when trunk groups or facilities should be added so as to continue to meet these agreed-upon blocking standards. Moreover, as mentioned above, Verizon reports its trunk blockage performance, and if it does not meet a certain level of performance, payments may ensue.<sup>519</sup>

156. WorldCom argues that a particular paragraph of the Commission's *Local Competition First Report and Order* supports its proposed language.<sup>520</sup> We disagree: the language WorldCom relies on concerns technical feasibility, an issue that is unrelated to the instant dispute. Verizon has not argued that it is technically infeasible for it to augment its facilities in accordance with WorldCom's proposal. Instead, it argues that WorldCom's proposal would require it to construct facilities that it has not deployed for its own use.<sup>521</sup> The issue before us is, once a facility is subject to unbundling, what steps must Verizon take to augment network capacity and we find that Verizon's approach addresses this issue in a reasonable manner.

157. Finally, contrary to WorldCom's suggestion, we adopt Verizon's proposed section 5.2.4 of its Interconnection Attachment. This section provides that each party will use commercially reasonable efforts to monitor trunk groups under its control and augment those groups using generally accepted trunk engineering standards so as not to exceed blocking

(Continued from previous page) \_\_\_\_\_

facilities that are provided using a significant amount of common, shared transport equipment in Verizon's network. See Tr. at 2348-49.

<sup>516</sup> WorldCom Brief at 49, citing WorldCom Ex. 14 (Direct Testimony of D. Grieco), at 8.

<sup>517</sup> WorldCom also states that installing additional facilities requires considerably more work than installing trunks. WorldCom Reply at 46. This statement is, no doubt, also true; however, it too ignores the reality that Verizon's engineers would notice when trunks and facilities would need to be augmented and would plan accordingly.

<sup>518</sup> See, e.g., WorldCom's November Proposed Agreement to Verizon, Attach. IV, §§ 1.8.4, 1.8.5; Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., §§ 2.4.5, 2.4.6 (both providing, among other things, that WorldCom shall determine and order the number of two-way local interconnection trunks that are required to meet the applicable design blocking objective for all traffic carried on each two-way local interconnection trunk group).

<sup>519</sup> See *supra*, Issue I-7/III-4. See also Tr. at 2367 (Verizon's witness stating that Verizon pays money if it misses a particular trunking standard).

<sup>520</sup> See WorldCom Brief at 49, citing *Local Competition First Report and Order*, 11 FCC Rcd at 15602-03, para. 198.

<sup>521</sup> See Verizon NA Reply at 33.

objectives.<sup>522</sup> Such a proposal is eminently reasonable on this record and, since WorldCom offers no substantive objection to this section, we adopt it. As noted earlier, however, we do not adopt Verizon's proposed sections 2.4 and 13.<sup>523</sup>

## **11. Issue IV-4 (Interconnection Interval)**

### **a. Introduction**

158. Recognizing the importance of well-defined procedures for new interconnections, both WorldCom and Verizon propose language governing the initiation of interconnection arrangements between the parties.<sup>524</sup> The parties have agreed to WorldCom's proposed language requiring Verizon to confirm a request for interconnection within ten days.<sup>525</sup> The sole remaining dispute concerns Verizon's provision of environmental information to WorldCom.<sup>526</sup> For reasons provided below, we adopt only part of WorldCom's proposal.

### **b. Positions of the Parties**

159. WorldCom's proposed language would require Verizon to provide any information available to Verizon regarding environmental hazards at the point of interconnection, at an interconnection location, or along an interconnection route.<sup>527</sup> WorldCom's proposal would also allow WorldCom to conduct site investigations as it deemed necessary if Verizon provided information regarding environmental hazards,<sup>528</sup> and would require Verizon to provide available alternative interconnection routes in the event interconnection is complicated by an environmental hazard.<sup>529</sup> WorldCom argues that its proposed language serves important safety interests and protects the health and safety of both carriers' employees.<sup>530</sup> According to WorldCom, its proposal ensures that it will possess the same environmental information

---

<sup>522</sup> Additionally, this section provides that each party will use modular trunk engineering techniques for trunks subject to [the Interconnection] Attachment. *See* Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 5.2.4. Since WorldCom expresses no specific concerns with using "modular trunk engineering techniques," we have no record upon which to reject this part of Verizon's proposal.

<sup>523</sup> *See supra*, Issues I-7/III-4 (adopting WorldCom's proposal on forecasting) and Issue IV-2.

<sup>524</sup> *See* WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4; Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 4.

<sup>525</sup> *See* WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4.

<sup>526</sup> *See* WorldCom Brief at 52; Tr. at 2404.

<sup>527</sup> *See* WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4.2.

<sup>528</sup> *See* WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4.3.

<sup>529</sup> *See* WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4.4.

<sup>530</sup> *See* WorldCom Brief at 52.

available to Verizon, and will have the same ability to survey a proposed interconnection site or to decide, for environmental or safety reasons, to use alternative routes.<sup>531</sup> WorldCom argues that its proposal is consistent with Verizon's section 251(c)(2) obligations to provide interconnection equal in quality to what Verizon provides itself, and with Verizon's obligations under rule 51.305(g) to provide information about Verizon's facilities sufficient to allow WorldCom to achieve interconnection.<sup>532</sup> WorldCom adds that Verizon previously provided such information pursuant to the 1997 interconnection agreement between MCI and Bell Atlantic.<sup>533</sup>

160. WorldCom disputes Verizon's suggestion that the issue of environmental information is adequately addressed in Verizon's collocation tariffs. According to WorldCom, Verizon has not explained how its collocation tariffs address situations where WorldCom uses Verizon's poles, ducts, conduits, and rights of way.<sup>534</sup> WorldCom also objects to Verizon being able to determine, in a collocation tariff completely controlled by Verizon, how, when and what information will be given to WorldCom.<sup>535</sup> WorldCom disputes Verizon's contention that WorldCom's proposal would allow it to conduct site investigations for any purpose. WorldCom explains that it modified its proposed language based on negotiations between the parties, making clear that inspections would only be conducted in response to a Verizon report of environmental hazard.<sup>536</sup> In response to Verizon's contention that WorldCom's proposal could leave Verizon liable for information in the possession of a former employee, WorldCom responds that its testimony makes clear that it only seeks information in Verizon's control.<sup>537</sup>

161. Verizon opposes WorldCom's proposed language on the grounds that it is overbroad, vague and unnecessary. Verizon notes that, during the hearing, even WorldCom's witness acknowledged that its proposed language was ambiguous and too broad.<sup>538</sup> Specifically, Verizon objects to WorldCom's language because it imposes obligations on Verizon regarding any property at which Verizon has facilities, and deems information "available" to Verizon if it is in the possession of former employees, contractors, agents, and tenants, or other unrelated individuals.<sup>539</sup> Verizon further objects that WorldCom does not define what it means by the

---

<sup>531</sup> See *id.* at 52.

<sup>532</sup> See *id.* at 52, citing 47 U.S.C. § 251(c)(2), 47 C.F.R. § 51.305(g).

<sup>533</sup> See *id.* at 52-53.

<sup>534</sup> See *id.* at 53.

<sup>535</sup> See WorldCom Reply at 48.

<sup>536</sup> See WorldCom Brief at 53.

<sup>537</sup> See *id.* at 53, citing WorldCom Ex. 29 (Rebuttal Testimony of D. Grieco), at 13.

<sup>538</sup> See Verizon NA Brief at 63, citing Tr. at 2498-99 (testimony of WorldCom's witness Grieco).

<sup>539</sup> See Verizon NA Brief at 63.

“adverse environmental or other conditions” of which WorldCom seeks notification.<sup>540</sup> Verizon also objects to WorldCom’s proposed language because it would give WorldCom the power to perform site surveys if WorldCom deems it necessary.<sup>541</sup>

162. Verizon further argues that WorldCom’s proposal is unnecessary, given that Verizon provides the relevant information pursuant to its collocation tariffs.<sup>542</sup> Verizon adds that WorldCom had difficulty identifying situations other than collocation where WorldCom would require the type of information sought, and has not identified one instance in which WorldCom was confronted with “adverse environmental or other conditions” in its interconnection arrangements with Verizon.<sup>543</sup>

### c. Discussion

163. We adopt, in part, WorldCom’s proposed language under this issue rather than Verizon’s proposed language,<sup>544</sup> but we reject WorldCom’s proposed language governing the provision of environmental information and site inspections.<sup>545</sup> Furthermore, Verizon’s proposed language includes language implementing its VGRIPs proposal, which, as discussed earlier, we reject.<sup>546</sup>

164. WorldCom’s proposal regarding environmental information goes far beyond the scope of Verizon’s obligation under section 251(c)(2) to provide information necessary to facilitate interconnection.<sup>547</sup> WorldCom would broadly require Verizon to deliver information regarding any “adverse environmental or other conditions . . . involving a POI or the Interconnection route or location.”<sup>548</sup> This language fails to provide sufficient guidance for Verizon to know what kinds of information it must provide and about what locations.

---

<sup>540</sup> See Verizon NA Brief at 63, quoting WorldCom’s November Proposed Agreement, Attach. IV, § 1.1.4.2.

<sup>541</sup> See Verizon NA Brief at 63.

<sup>542</sup> See Verizon NA Brief at 64.

<sup>543</sup> See Verizon NA Brief at 64.

<sup>544</sup> See WorldCom’s November Proposed Agreement, Attach. IV, §§ 1.1.4-1.1.4.1, 1.1.4.4. The parties have agreed to the ten-day interconnection interval WorldCom proposes.

<sup>545</sup> See WorldCom’s November Proposed Agreement, Attach. IV, §§ 1.1.4.2, 1.1.4.3. Verizon’s objections to WorldCom’s proposal appear limited to these provisions, and therefore we do not include WorldCom’s proposed section 1.1.4.4 among the provisions we reject.

<sup>546</sup> See Verizon’s November Proposed Agreement, Part C, Interconnection Attach., §§ 4.2, 4.3. We note that Verizon’s proposed contract contains two section 4.2s. For clarification, we have assigned section 4.3 to the contract provision beginning with, “The interconnection activation date....” See also *supra*, Issue 1-1.

<sup>547</sup> See 47 U.S.C. § 251(c)(2); 47 C.F.R. § 51.305(g).

<sup>548</sup> WorldCom’s November Proposed Agreement, Attach. IV, § 1.1.4.2.

Furthermore, despite WorldCom's testimony that it only seeks information in Verizon's control, its language requires Verizon to provide information in the possession of any "current or former agent, contractor, employee, Affiliate, lessor, or tenant,"<sup>549</sup> a far greater universe than merely those under Verizon's control. As Verizon notes, much of the information that WorldCom seeks is available through Verizon's collocation tariffs. Nevertheless, in light of the important safety ramifications surrounding this issue, we urge the parties to attempt to reach a further accommodation on it to the extent that WorldCom continues to seek environmental information not available through Verizon's tariffs.

165. We also agree with Verizon that WorldCom's proposed language too broadly permits WorldCom to perform site investigations, without specifying the locations to which this right applies, and without regard to whether those locations must be under Verizon's control. Indeed we note that WorldCom's own witness acknowledged that its proposed language is "ambiguous" and "could be cleaned up."<sup>550</sup> Although WorldCom states that it has modified its language to address one of Verizon's concerns (limiting any inspections solely to locations about which Verizon informs WorldCom of environmental hazards), we find that WorldCom's language governing the provision of that environmental information is overbroad and ambiguous. Accordingly, we reject WorldCom's proposed language providing for site inspections as well.

## **12. Issue IV-5 (Compensation for the Lease of Interconnection Facilities)**

### **a. Introduction**

166. WorldCom and Verizon disagree on how they will compensate each other for the use of the interconnection facilities over which they will exchange traffic. WorldCom proposes language specifying that neither party may charge the other for the use of mid-span meet interconnection facilities.<sup>551</sup> Verizon objects to the inclusion of WorldCom's language, and proposes alternative language governing the compensation arrangements between the parties.<sup>552</sup> We adopt WorldCom's proposed language for the reasons set forth below.

### **b. Positions of the Parties**

167. WorldCom's proposed section 1.1.6.6 specifies that, apart from charges for the lease of interconnection facilities, neither party may charge the other for the use of interconnection facilities. WorldCom suggests that Verizon initially objected to this language because it was not originally limited to mid-span meet interconnection facilities. To address this

---

<sup>549</sup> See WorldCom's November Proposed Agreement, Attach. IV, § 1.1.4.2.

<sup>550</sup> Tr. at 2498 (testimony of WorldCom's witness, Grieco).

<sup>551</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, §§ 1.1.6.6, 1.2.5.

<sup>552</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., §§ 2.5, 3.2.1-3.2.1.5, 7.2.

concern, WorldCom states that it has limited its proposed section 1.1.6.6 to mid-span meets.<sup>553</sup> WorldCom argues that, since Verizon indicated that it would agree to such limited language, the Commission should adopt WorldCom's proposed section 1.1.6.6.<sup>554</sup> According to WorldCom, Verizon's continuing objections to this modified language constitute an improper attempt to retract its agreement to WorldCom's modified language.<sup>555</sup>

168. WorldCom also argues that we should order inclusion of WorldCom's proposed section 1.2.5, which specifies that, apart from reciprocal compensation, neither party may charge the other for the use of interconnection facilities. WorldCom argues that each party is financially responsible for the network on its side of the point of interconnection.<sup>556</sup> WorldCom accordingly argues that we should reject Verizon's proposal to assess a non-recurring trunk charge for connecting trunks into its switch. WorldCom states that Verizon agrees that the trunk connection is always on its side of the point of interconnection.<sup>557</sup> WorldCom argues that Verizon thus has no right to charge it for this trunk connection. Instead, according to WorldCom, any costs for trunk connections should be recovered in reciprocal compensation rates.<sup>558</sup> WorldCom argues that Verizon's proposed language on this point is inappropriately non-mutual, obligating WorldCom but not Verizon to pay non-recurring charges for trunk connections. WorldCom argues that it makes no sense to allow one party to charge for connecting trunks into its switch, without allowing the other party to impose a similar charge.<sup>559</sup> WorldCom also objects that Verizon's proposal would require WorldCom to pay for half of the trunks in a two-way trunk group, without regard to the actual proportion of the two-way trunks that WorldCom uses to originate traffic. According to WorldCom, Verizon's proposal violates the cost allocation principles established in the *Local Competition First Report and Order*.<sup>560</sup> WorldCom also objects to Verizon's proposed section 2.5 on the grounds that it incorporates Verizon's GRIPs proposal (which is the subject of Issue I-1).<sup>561</sup>

---

<sup>553</sup> See WorldCom Brief at 55.

<sup>554</sup> See *id.* at 55.

<sup>555</sup> See WorldCom Reply at 50, Tr. at 2406.

<sup>556</sup> See WorldCom Brief at 55, citing Tr. at 2408-10.

<sup>557</sup> See *id.*

<sup>558</sup> See WorldCom Brief at 55-56.

<sup>559</sup> See *id.* at 56.

<sup>560</sup> See *id.* at 56, citing 47 C.F.R. § 51.507(c).

<sup>561</sup> See WorldCom Reply at 51.

169. Verizon proposes its own language governing the compensation arrangements between the parties for two-way trunks, mid-span fiber meets, and reciprocal compensation.<sup>562</sup> Verizon objects to WorldCom's proposed section 1.1.6.6 on the grounds that, in spite of WorldCom's assertions, its proposed language is not limited to mid-span meets.<sup>563</sup> Verizon argues that, if WorldCom meant only to allocate costs for mid-span meet interconnection, then WorldCom should accept Verizon's proposed language stating that each party is financially responsible for its facilities up to the mid-span meet-point.<sup>564</sup> Verizon also objects to WorldCom's proposed section 1.2.5 on the ground that, when Verizon connects trunks into its switches, it incurs non-recurring trunk installation charges that are not recovered through reciprocal compensation.<sup>565</sup> Consistent with its argument under Issue IV-2, Verizon argues that its proposed section 2.5 allows it to recover for the work it performs in connecting trunks into its switches.<sup>566</sup>

**c. Discussion**

170. We agree with WorldCom that, by revising its proposed section 1.1.6.6 to apply only to mid-span meet facilities, it has addressed the one and only objection voiced by Verizon to this language.<sup>567</sup> Indeed, at the hearing, Verizon indicated that WorldCom's revision would suffice to address its objections to this proposed language.<sup>568</sup> Furthermore, WorldCom's proposed section 1.1.6.6 appears consistent with the Commission's treatment of mid-span meet interconnection facilities in the *Local Competition First Report and Order*. Specifically, the Commission stated that in a meet point interconnection established pursuant to section 251(c)(2), "it is reasonable to require each party to bear a reasonable portion of the economic costs of the arrangement."<sup>569</sup> Accordingly, we adopt WorldCom's proposed section 1.1.6.6, as modified.<sup>570</sup> As addressed more fully under Issues III-3/III-3-A, we also adopt Verizon's proposed sections 3.2.1 – 3.2.1.5, governing the allocation of mid-span meet interconnection costs.<sup>571</sup>

---

<sup>562</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., §§ 2.5 (two-way trunks); 3.2.1-3.2.1.5 (mid-span fiber meets); 7.2 (reciprocal compensation).

<sup>563</sup> See Verizon NA Brief at 65.

<sup>564</sup> See *id.* at 65.

<sup>565</sup> See *id.* at 66.

<sup>566</sup> See *id.* at 66.

<sup>567</sup> See WorldCom Brief at 55 (inserting "For mid-span meets" at the start of section 1.1.6.6).

<sup>568</sup> See Tr. at 2406-07.

<sup>569</sup> *Local Competition First Report and Order*, 11 FCC Rcd at 15781, para. 553.

<sup>570</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.1.6.6.

<sup>571</sup> See *supra*, Issue III-3/III-3-A (adopting Verizon's proposed section 3).

171. As explained in our discussion of Issue IV-2, we reject Verizon's proposed section 2.5, governing compensation for two-way trunk facilities, because it incorporates elements of Verizon's VGRIPs proposal and appears to allocate costs disproportionately between the parties for two-way trunks.<sup>572</sup> Verizon's proposed section 7.2, requiring the parties to pay each other reciprocal compensation, is addressed elsewhere in this order.<sup>573</sup> Finally, we also reject WorldCom's proposed section 1.2.5,<sup>574</sup> on grounds that it is ambiguous, and appears to be inconsistent with our rules and with WorldCom's own advocacy. While WorldCom suggests generally that its language proposed under this issue does not address compensation due for lease of interconnection facilities, its proposed language does not reflect this position: "neither Party may charge the other Party installation charges or monthly recurring charges for the use of Local Interconnection Trunk Groups." The Commission's rules clearly envision the payment of nonrecurring and recurring charges for facilities such as these.<sup>575</sup> Moreover, WorldCom's own proposed section 1.8.11 (which we adopt in Issue IV-2) envisions the payment of recurring charges, and also addresses non-recurring charges.

### **13. Issue IV-6 (Meet Point Trunking Arrangements)**

#### **a. Introduction**

172. WorldCom proposes language for the implementation of meet point trunking arrangements between the parties for the joint provision of switched exchange access services to IXCs.<sup>576</sup> Verizon objects to this language, proposing its own language under which WorldCom would purchase access toll connecting trunks from Verizon in order to provide switched exchange access services.<sup>577</sup> We adopt WorldCom's proposed language.

#### **b. Positions of the Parties**

173. WorldCom proposes detailed terms addressing meet point trunking between the parties for their joint provision of switched access services. WorldCom argues that, when Verizon and WorldCom jointly provide exchange access services to an IXC, Verizon should charge that IXC, not WorldCom, for the services Verizon provides. WorldCom states that Verizon has no right to charge WorldCom for access services Verizon provides to that IXC.<sup>578</sup>

---

<sup>572</sup> See *supra*, Issue IV-2 (rejecting Verizon's proposed section 2.5).

<sup>573</sup> See *supra*, Issues I-5 and I-6.

<sup>574</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.2.5.

<sup>575</sup> See, e.g., 47 C.F.R. § 51.709(b).

<sup>576</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.4.

<sup>577</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 8.

<sup>578</sup> See WorldCom Reply at 52.

WorldCom also claims Verizon's position – that WorldCom must purchase toll trunks out of Verizon's access tariff to provide switched exchange access through Verizon's tandems – is an inappropriate attempt to dictate what services IXC's may purchase or where they may purchase them.<sup>579</sup> WorldCom argues that if an IXC chooses to reach WorldCom's network through Verizon's tandem, then WorldCom is in no position to dictate to the IXC that it must instead purchase dedicated switched access services directly to WorldCom's switch. According to WorldCom, that choice is solely in the discretion of the IXC.<sup>580</sup>

174. WorldCom also argues that Verizon's proposal would unlawfully restrict WorldCom's freedom to use UNEs, such as dedicated transport, to provide any telecommunications service, including exchange access service.<sup>581</sup> According to WorldCom, Verizon appears to take the position that WorldCom may not purchase unbundled dedicated transport from Verizon in order to provide access services to IXC's.<sup>582</sup> WorldCom argues that Commission Rule 51.309(a) clearly prohibits Verizon from denying WorldCom UNE dedicated transport for use in this manner.<sup>583</sup>

175. Verizon argues that, when WorldCom asks Verizon for trunks that will connect WorldCom's customers to IXC's through Verizon's tandems, WorldCom is ordering access toll connecting trunks from Verizon.<sup>584</sup> According to Verizon, reciprocal compensation traffic subject to section 251(b)(5) does not route over these trunks at all; the traffic routed over these trunks is exchange access traffic.<sup>585</sup> Verizon states that because it is providing an exchange access service it is entitled to charge access rates.<sup>586</sup> Verizon also disputes WorldCom's characterization of its proposal as being tied into its VGRIPs proposal. According to Verizon, the trunks at issue are unrelated to the VGRIPs proposal because they carry exchange access traffic, rather than reciprocal compensation traffic.<sup>587</sup> Verizon also objects to WorldCom's proposal because it does not explain how Verizon is being compensated for the service it

---

<sup>579</sup> See WorldCom Brief at 57.

<sup>580</sup> See *id.* at 57.

<sup>581</sup> See *id.* at 58, citing 47 U.S.C. § 251(c)(3).

<sup>582</sup> See *id.* at 58, citing Tr. at 2417.

<sup>583</sup> See *id.* at 58, quoting 47 C.F.R. § 51.309(a) (prohibiting incumbent LECs from imposing "limitations, restrictions, or requirements on requests for, or the use of, unbundled network elements that would impair the ability of a requesting telecommunications carrier to offer a telecommunications service in the manner the requesting telecommunications carrier intends").

<sup>584</sup> See Verizon NA Brief at 57.

<sup>585</sup> See *id.* at 58.

<sup>586</sup> See *id.* at 58, citing 47 U.S.C. § 251(g).

<sup>587</sup> See *id.* at 58.

provides to WorldCom when WorldCom orders access toll connecting trunks from Verizon.<sup>588</sup> Verizon objects that WorldCom's proposal is inconsistent with the manner in which such trunks are ordered from Verizon on a daily basis.<sup>589</sup>

176. Verizon argues that WorldCom is attempting to receive access toll connecting trunks, which are used in the provision of access services, at UNE rates in order to increase WorldCom's profit margin at Verizon's expense. Verizon objects that, as the Act, the Commission, and the Eighth Circuit Court of Appeals have made clear, access services, including the receipt of compensation for access services, have been "carved out" of the Act.<sup>590</sup> Verizon also contends that WorldCom's proposal conflicts with agreed upon language for Issue IV-31. Specifically, Verizon states that the parties agreed that switched exchange access services and interLATA or intraLATA toll traffic would be governed by the parties' applicable tariffs. Verizon argues that, because the trunks at issue here are used to provide switched exchange access services, WorldCom's proposal would interfere with Verizon's tariff for access toll connecting trunks and conflict with the parties' agreed upon language for Issue IV-31.<sup>591</sup>

### c. Discussion

177. We agree with WorldCom that the services in question constitute the joint provision of switched exchange access services to IXC's by WorldCom and Verizon, both operating as LECs. Therefore, we agree with WorldCom that, when the parties jointly provide such exchange access, Verizon should assess any charges for its access services upon the relevant IXC, not WorldCom. We further agree with WorldCom that it has the right to purchase unbundled dedicated transport from Verizon to provide IXC's with access to WorldCom's local exchange network. Therefore, Verizon may not require WorldCom to purchase trunks out of Verizon's access tariffs in order for WorldCom to provide such exchange access. Accordingly, we reject Verizon's proposed language,<sup>592</sup> and we adopt WorldCom's proposed language.<sup>593</sup>

---

<sup>588</sup> See *id.* at 59.

<sup>589</sup> See *id.* at 59.

<sup>590</sup> See Verizon NA Reply at 31, citing 47 U.S.C. § 251(g); *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16 FCC Rcd 9151, 9169-70, para. 39 (2001); *CompTel v. Federal Communications Comm'n.*, 117 F.3d 1068, 1072 (8<sup>th</sup> Cir. 1997), *aff'd in part, rev'd in part*, *AT&T Corp. v. Iowa Util. Bd.*, 525 U.S. 366 (1999).

<sup>591</sup> See Verizon NA Reply at 31.

<sup>592</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Interconnection Attach., § 8 *et seq.*

<sup>593</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.4 *et seq.*

#### 14. Issue IV-8 (Trunking Arrangements for Operator Services and Directory Assistance)

##### a. Introduction

178. Verizon and WorldCom disagree with respect to how WorldCom should route calls from its operators to Verizon's operators for two specific types of operator services – busy line verification and emergency interrupt calls – on behalf of customers that do not use Verizon as their primary operator services provider.<sup>594</sup> WorldCom wants the option of routing these calls over the local interconnection trunk, using the appropriate codes in the local exchange routing guide.<sup>595</sup> Verizon proposes that these calls be routed over separate trunks terminating in Verizon's operator services/directory assistance switches.<sup>596</sup> Routing these calls over separate trunks would be more costly for WorldCom, but would make it easier for Verizon to bill WorldCom appropriately. We adopt WorldCom's proposal, subject to certain modifications. In the *Local Competition Second Report and Order*, the Commission determined that busy line verification and emergency interrupt are forms of "operator services" within the meaning of section 251(b)(3) and that, if a LEC provides these functions, the LEC must offer them on a nondiscriminatory basis to all providers of telephone exchange or telephone toll service.<sup>597</sup> With modifications explained below, we adopt WorldCom's proposal.

##### b. Positions of the Parties

179. WorldCom characterizes as unreasonable and anticompetitive Verizon's objection to routing busy line verification and emergency interrupt calls over local interconnection trunks

---

<sup>594</sup> Busy line verification (also called line status verification) occurs when a LEC's operator, on behalf of another carrier or an end user, determines whether a particular access line is busy, as opposed to out-of-service. Emergency interrupt (also called verification and call interrupt) occurs when a LEC's operator, on behalf of another carrier or an end user, interrupts a call on a particular access line. See, e.g., WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, §§ 6.1-6.2. When the calling party and the called party obtain their operator services (other than busy line verification and emergency interrupt) from different operator services providers, one of the originating carrier's operators must call one of the terminating carrier's operators to request busy line verification or emergency interrupt. See Tr. at 2313; WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, §§ 6.3.

<sup>595</sup> See, e.g., WorldCom Brief at 60-61; WorldCom's November Proposed Agreement to Verizon, Part C, Attach. IV, § 1.6.2. The local exchange routing guide is a database maintained by Telcordia Technologies that carriers use to identify NPA-NXX routing, among other purposes. See Letter from Jodie L. Kelley, Counsel, WorldCom, to Marlene H. Dortch, Secretary, FCC, CC Docket No. 00-218, at Attach. at 17 (filed June 14, 2002) (*June 14, 2002, Joint Definitional Submission*). We note that Verizon and WorldCom prepared this submission jointly.

<sup>596</sup> Verizon NA Brief at 66-68.

<sup>597</sup> *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, Second Report and Order and Memorandum Opinion and Order, 11 FCC Rcd 19392, 19449, para. 111 (1996) (*Local Competition Second Report and Order*), vacated in part, *People of the State of California v. FCC*, 124 F.3d 934 (8th Cir. 1997), overruled in part, *AT&T Corp. v. Iowa Utils. Bd.*, 525 U.S. 366 (1999).